

**Volunteer Income Tax Assistance (VITA)
Advance Scenarios 1-4**



CAMPAIGN
FOR WORKING FAMILIES, INC.

FREE TAX PREPARATION

www.cwfphilly.org



CAMPAIGN

FOR WORKING FAMILIES, INC.

FREE TAX PREPARATION

- The Campaign for Working Families, Inc. (CWFI) is a non-profit organization committed to helping working families and individuals achieve economic empowerment by providing free tax preparation, resource building and asset development.

In 2017, we had over 850 volunteers prepare over 56,000 tax returns (both federal and state), which brought in over \$46.5 million in refunds to low-to-moderate income families in the region.



Sign in

Sign into VITA/TCE Central

- www.linklearncertification.com

Certification Tests



Login Name:

Password:

▶ Login to your IRS account:

[Login](#)

▶ Set up a new IRS account:

[Create Account](#)

▶ Forgot Password?

[CLICK HERE](#)

Instructor Tools



Classroom Presentations



Lesson Plans



Instructor Guide 4555e

More Help

- ▶ [Getting Started Tutorial](#)
- ▶ [IRS Publications and Forms](#)
- ▶ [Get Adobe® Reader®](#)

Quick Links



Link & Learn Taxes Lessons



Certification Test/Retest PDFs



VITA/TCE Training Guide PDFs



Evaluations



Practice Lab



VSOC Training



Intake/Interview and Quality Review Training

The TaxSlayer Practice Lab is now available and can be accessed by using the following link: <https://vita.taxslayerpro.com/IRSTraining>. The Practice Lab provides a simulated VITA/TCE learning environment in the TaxSlayer Pro Online software and is complete with learning tools and TaxSlayer support.

NOTE: Please use the generic password "TRAINPROWEB" to gain access to the lab.

Site Coordinators must create an account and register as Site Coordinator in the Site Coordinator field in order to take the Site Coordinator training. Foreign Student and Scholar volunteers no longer need to create an account and register as Foreign Student in the Group field in order to take the Foreign Student and Scholar test.

Important: You must turn off pop-up blockers to view the training.

If you have not completed an evaluation for the VITA/TCE training program click Evaluation under Quick Links.

Self-Registration

Complete the fields below to create your account in the system. Required fields are marked by an asterisk (*), all other are optional.

* Group:	<input type="text" value="01 - VITA Volunteer"/>	
* Do you want to take the Site Coordinator course?	<input type="radio"/> Yes <input checked="" type="radio"/> No	
* Training Source:	<input type="text" value="Link and Learn Taxes (e-learning)"/>	
* First Name:	<input type="text" value="First Name"/>	
* Last Name:	<input type="text" value="Last Name"/>	
SEID:	<input type="text" value="IGNORE THIS FIELD"/>	(For IRS Employees Only)
* Login:	<input type="text" value="Login Name"/>	
* Password:	<input type="password" value="....."/>	
* Confirm password:	<input type="password" value="....."/>	Password Complexity Requirements
* Email Address:	<input type="text" value="youremail@email.com"/>	
* Confirm Email Address:	<input type="text" value="youremail@email.com"/>	
PLEASE NOTE:	Should you ever forget your password, a valid email address is required to have a new one sent to you.	
* Address 1:	<input type="text" value="Your Address"/>	
Address 2:	<input type="text"/>	
* City:	<input type="text" value="Your City"/>	
* State / Province:	<input type="text" value="Select a State / Province"/>	
* Postal Code:	<input type="text" value="Zip"/>	
* Time Zone:	<input type="text" value="(GMT-05:00) Eastern Time (US & Cana"/>	
* Years You Have Volunteered:	<input type="text" value="Select"/>	
Professional Status:	<input type="text" value="Select a Professional Status"/>	
PTIN Number:	<input type="text" value="IGNORE"/>	PTIN Validation Information

PLEASE NOTE: Enter your PTIN as it appears on your PTIN card; however, do not include a hyphen.

Volunteer Standards of Conduct

VITA/TCE Programs

The mission of the VITA/TCE return preparation programs is to assist eligible taxpayers in satisfying their tax responsibilities by providing **free** tax return preparation. To establish the greatest degree of public trust, volunteers are required to maintain the highest standards of ethical conduct and provide quality service.

All VITA/TCE volunteers (whether paid or unpaid workers) must complete the *Volunteer Standards of Conduct (VSC)* certification and agree to adhere to the VSC by signing Form 13615, *Volunteer Standards of Conduct Agreement*, prior to working at a VITA/TCE site. In addition, return preparers, quality reviewers, and VITA/TCE tax law instructors must certify in tax law prior to signing this form. This form is not valid until the site coordinator, sponsoring partner, instructor, or IRS contact confirms the volunteer's identity and signs and dates the form.

As a volunteer in the VITA/TCE Programs, you must:

1. Follow the Quality Site Requirements (QSR).
2. Not accept payment, solicit donations, or accept refund payments for federal or state tax return preparation.
3. Not solicit business from taxpayers you assist or use the knowledge you gained (their information) about them for any direct or indirect personal benefit for you or any other specific individual.
4. Not knowingly prepare false returns.
5. Not engage in criminal, infamous, dishonest, notoriously disgraceful conduct, or any other conduct deemed to have a negative effect on the VITA/TCE Programs.
6. Treat all taxpayers in a professional, courteous, and respectful manner.

Failure to comply with these standards could result in, but is not limited to, the following:

- Your removal from all VITA/TCE Programs;
- Inclusion in the IRS Volunteer Registry to bar future VITA/TCE activity indefinitely;
- Deactivation of your sponsoring partner's site VITA/TCE EFIN (electronic filing ID number);
- Removal of all IRS products, supplies, loaned equipment, and taxpayer information from your site;
- Termination of your sponsoring organization's partnership with the IRS;
- Termination of grant funds from the IRS to your sponsoring partner; and
- Referral of your conduct for potential TIGTA and criminal investigations.





Six Volunteer Standards of Conduct (Front Cover of 4012)

1. Follow the Ten Quality Site Requirements (QSR)

The purpose of the Quality Site Requirements (QSR) is to ensure quality and accuracy of tax return preparation and consistent operation of sites. The QSR are required to be communicated to all volunteers and partners to ensure IRS and partner-mutual objectives are met

- Certification-(all VITA/TCE volunteers must pass certifications with 80%)
- Intake/Interview & Quality Review Process (Must use 13614-C)
- Confirming Photo Identification and Taxpayer Identification Numbers
- Reference Materials (Pub 4012, Pub 17, Site Director)
- Volunteer Agreement (Must complete at least VSC)
- Timely Filing (process in place at sites)
- Civil Rights (Title IV—Civil Rights Act of 1964)
- Site Identification Number (SIDN)
- Electronic Filing Identification Number (EFIN)
- Security (Privacy, Confidentiality, Public Trust)



Six Volunteer Standards of Conduct

2. Do not accept payment, solicit donations, or accept refund payments for federal or state tax return preparation.

“Free” means we do not accept compensation for our services. Therefore, we do not want to confuse the taxpayer by asking for donations. Donation or tip jars located in the return preparation or taxpayer waiting area are a violation of this standard.

example

You finish a time-consuming return and the client is very grateful. On her way out, the client stops by and tries to sneak a \$20 bill in your pocket, saying, “I would have paid ten times that at the preparer across the street.” Return the money and explain that you cannot accept money for doing taxes, but the center may appreciate a donation which can be made at the center’s downtown office or via their website.



Six Volunteer Standards of Conduct

3. Do not solicit business from taxpayers you assist or use the knowledge gained about them (their information) for any direct or indirect personal benefit for yourself or any other specific individual.

As a volunteer, you must properly use and safeguard taxpayers' personal information. Furthermore, do not use confidential or nonpublic information to engage in financial transactions, and do not allow its improper use to further your own or another person's private interests.

example

You are a volunteer preparer and an accountant. You cannot solicit business from the taxpayer.

example

Your primary business includes selling health insurance policies. During the interview, you find out the taxpayer lost access to health insurance in January of the current year. You cannot offer to sell the taxpayer health insurance through your business.



Six Volunteer Standards of Conduct

4. Do not knowingly prepare false returns.

It is imperative that volunteers correctly apply tax law to the taxpayer's situation. While a volunteer may be tempted to bend the law to help taxpayers, this will cause problems down the road (i.e. Hardship, Identity Theft).

example

A volunteer preparer told the taxpayer that cash income does not need to be reported. The return was completed without the cash income. The quality reviewer simply missed this omission and the return was printed, signed, and e-filed. The volunteer preparer has violated this standard.

However, since the quality reviewer did not knowingly allow this return to be e-filed incorrectly, the quality reviewer did not violate this standard. Remember not to confuse an unethical action with a lack of knowledge or a simple mistake.



Six Volunteer Standards of Conduct

- 5. Do not engage in criminal, infamous, dishonest, notoriously disgraceful conduct, or any other conduct deemed to have a negative effect on the VITA/TCE Programs.**

Volunteers may be prohibited from participating in VITA/TCE Programs if they engage (past and future) in criminal, infamous, dishonest, or notoriously disgraceful conduct, or any other conduct prejudicial to the government.

example

A partner's program director was convicted of embezzling funds from an unrelated organization. The program director's criminal conduct created negative publicity for the partner. The partner was removed from the VITA/TCE Programs.

example

A taxpayer's refund was stolen by a volunteer return preparer at a VITA site. The taxpayer sought monetary damages from the SPEC Partner for the volunteer's fraudulent actions.



Six Volunteer Standards of Conduct

6. Treat all taxpayers in a professional, courteous, and respectful manner.

To protect the public interest, the IRS and its employees, partners, and volunteers must maintain the confidence and esteem of the people we serve. All volunteers are expected to conduct themselves professionally in a courteous, businesslike, and diplomatic manner.

example

You finish a difficult return for Millie, who has self-employment income, several expenses, and very few records. In addition, her son turned 25 and moved out early in the year. She owes the IRS about \$50. After you carefully explain the return, Millie sputters, "You don't know what you're doing. I always get a refund! My neighbor is self-employed and she got \$1,900 back." In this situation, you should take a deep breath and courteously explain that every return is different. If necessary, involve the site coordinator.



How to Report Unethical Behavior at Site

If volunteers, site coordinators, or taxpayers identify potential problems at the partner, site, or volunteer level that they feel may require additional, independent scrutiny, they can report these issues using the external referral process (VolTax) by emailing **WI.Voltax@irs.gov**.

example

While reading the newspaper, Violet, the site coordinator at Pecan Public Library, learns that one of her volunteers, Dale, was arrested for identity theft. The article indicates Dale has been using other people's identities to apply for credit cards and then using these cards for unauthorized purchases. Violet sends an e-mail to WI.voltax@irs.gov with the details from the news article. When the site opens the next day, Violet pulls Dale aside and advises him that he cannot work at the site due to his arrest on identity theft charges.



Failure to Comply with the Standards of Conduct

Impact on VITA/TCE Programs:

- Terminating the partnership between the IRS and the sponsoring organization
- Discontinuing IRS support
- Revoking or retrieving the sponsoring organization's grant funds
- Deactivating IRS Electronic Filing Identification Number (EFIN)
- Removing all IRS products, supplies, and loaned equipment from the site
- Removing all taxpayer information
- Disallowing use of IRS logos

Impact on Volunteer:

- Removal from program
- Added to IRS Volunteer Registry
- Civil and Criminal Penalties



Volunteer Protection Act (VPA)

The VPA protects volunteers from liabilities if they were acting **within the scope** of the program and harm was not caused by willful or criminal misconduct, gross negligence, reckless misconduct, conscious, flagrant indifference to the rights or safety of the individual harmed by the volunteer.

The VPA **does not** protect conduct Standards of Conduct that is willful or criminal, grossly negligent, reckless, or conduct that constitutes a conscious, flagrant indifference to the rights or safety of the individual harmed by the volunteer.

Volunteers should only prepare returns that are within their tax law certification level, their site's certification level, and the level of certification under the VITA/TCE Programs.



Intake/Interview & Quality Review Processes

1. The Intake Process:

- a) Greeting the taxpayer
- b) Ensuring the taxpayer and spouse, if applicable, have photo identification
- c) Verifying the taxpayer has SSN or ITIN required documentation
- d) Explaining the return preparation process
- e) Providing Form 13614-C to the taxpayer for completion, explaining documents required
- f) Determining the return certification level, and
- g) Assigning the taxpayer to a qualified tax preparer



Intake/Interview & Quality Review Process

2. The Interview Process

- a) Interviewing the taxpayer
- b) Checking photo identification for the taxpayer and spouse, if applicable, and verifying SSN or ITIN for everyone on the return
- c) Preparing the tax return

3. The Quality Review Process

- a) Inviting the taxpayer to participate
- b) Reviewing the return for accuracy (The steps for performing the quality review are listed on Form 13614-C, Part VII.)
- c) Informing taxpayers they are responsible for the information on their tax return



Pub 4012 B-3

View photo ID's for each taxpayer and spouse (if filing a joint return).	Name as shown on Social Security records (see Tab B Determining the Last Name of Taxpayer).	Taxpayer's current address where IRS should mail refund and/or other correspondence.	Use Tab C to verify taxpayer and spouse's dependency status.	Refer to Tab P if taxpayer is a victim of identity theft.	Refer to Pub 17, for definition of Legally Blind, Totally and Permanently Disabled and Full Time Student.	If not a US citizen, use Tab L Resident or Nonresident Alien Decision Tree to determine if return is within scope.
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You will need:

- Tax Information such as Forms W-2, 1099, 1098, 1095.
- Social security cards or ITIN letters for all persons on your tax return.
- Picture ID (such as valid driver's license) for you and your spouse.

Volunteers are trained to provide high quality service and uphold the highest ethical standards.
To report unethical behavior to the IRS, email us at vi.voltax@irs.gov

Part I – Your Personal Information (If you are filing a joint return, enter your names in the same order as last year's return)

1. Your first name	M.I.	Last name	Telephone number	Are you a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No
2. Your spouse's first name	M.I.	Last name	Telephone number	Is your spouse a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No
3. Mailing address			Apt #	City
4. Your Date of Birth	5. Your job title		6. Last year, were you:	
			b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No	
7. Your spouse's Date of Birth	8. Your spouse's job title		9. Last year, was your spouse:	
			b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No	
10. Can anyone claim you or your spouse as a dependent? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure				
11. Have you or your spouse:				
a. Been a victim of identity theft? <input type="checkbox"/> Yes <input type="checkbox"/> No				
b. Adopted a child? <input type="checkbox"/> Yes <input type="checkbox"/> No				

Part II – Marital Status and Household Information

1. As of December 31, 2017, were you:

Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)

Married a. If Yes, Did you get married in 2017? Yes No

Divorced Date of final decree _____

Legally Separated Date of separate maintenance agreement _____

Widowed Year of spouse's death _____

b. Did you live with your spouse during any part of the last six months of 2017? Yes No

2. List the names below of:

- everyone who lived with you last year (other than your spouse)
- anyone you supported but did not live with you last year

If additional space is needed check here and list on page 3

Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/17 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	To be completed by a Certified Volunteer Preparer				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	Is this person a qualifying child/relative or any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes/no)	Did this person have less than \$4,050 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/N/A)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)

Taxpayer must include everyone who lived with the taxpayer and anyone the taxpayer supported who lived elsewhere. Always confirm this information during the interview process, especially if the taxpayer did not list anyone.	Verify birth date for each person included on the tax return. Note: Incorrect birth dates may cause efile rejection.	Verbally confirm the number of months each person listed lived in the taxpayers' home. Note: Consider any temporary absences.	If not a US citizen, use Tab L Resident or Nonresident Alien Decision Tree to determine if return is within scope.	If taxpayer's marital status changed in 2017 (Married or Divorced), verify how it may affect ACA and if the return is within scope.	The Certified Volunteer Preparer will complete these questions for each listed person during the interview.	See Page 3 to verify if taxpayer listed additional names. Use page 4 to record interview notes.
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Important Reminder: Review all information in Part II before using Tabs B and C to determining Dependency Exemptions and Filing Status.

Important Reminder: The Intake/Interview process may be considered incomplete if:

- questions are left unanswered in Parts I thru VI
- Unsure answers are not addressed with the taxpayer and then annotated to "yes" or "no".
- applicable Certified Volunteer Preparer shaded areas are not completed.

Important Reminder: Do not refer taxpayers to the Voltax e-mail address for IRS help or refund information.

Refer to the back cover of Pub 4012 for appropriate IRS referrals.



Important Reminder: During the interview, question taxpayers about any items marked "Unsure" and mark them "Yes" or "No". Modify any taxpayer answers to correctly reflect all information obtained during the interview.

Certification indicators (B, A, HSA, M) should only be used to assign returns to preparers.

Final certification level determinations should be made by using the Scope of Service Chart after completing the interview process.

Not all of these items are reported on F1040, Line 21. See Pub 17.

Verify eligibility for Saver's Credit.

Include only qualified unreimbursed expenses (Sch A) See Pub 17.

Student Loan Interest adjustment See Tab E.

The taxpayer may have a requirement to repay their credit.

Ask taxpayer for a copy of last year's return to locate necessary information.

Unsure	Part III – Income – Last Year, Did You (or Your Spouse) Receive
<input type="checkbox"/>	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year?
<input type="checkbox"/>	2. (A) Tip Income?
<input type="checkbox"/>	3. (B) Scholarships? (Forms W-2, 1098-T)
<input type="checkbox"/>	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
<input type="checkbox"/>	5. (B) Refund of state/local income taxes? (Form 1099-G)
<input type="checkbox"/>	6. (B) Alimony income or separate maintenance payments?
<input type="checkbox"/>	7. (A) Self-Employment income? (Form 1099-MISC, cash)
<input type="checkbox"/>	8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?
<input type="checkbox"/>	9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S, 1099-B)
<input type="checkbox"/>	10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)
<input type="checkbox"/>	11. (A) Payments from Pensions, Annuities, and/or IRA? (Form 1099-R)
<input type="checkbox"/>	12. (B) Unemployment Compensation? (Form 1099G)
<input type="checkbox"/>	13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
<input type="checkbox"/>	14. (M) Income (or loss) from Rental Property?
<input type="checkbox"/>	15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify _____
Unsure	Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay
<input type="checkbox"/>	1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/>	2. Contributions to a retirement account? _____ IRA (A) _____ 401K (B) _____ Roth IRA (C) _____ Other (D) _____
<input type="checkbox"/>	3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
<input type="checkbox"/>	4. (B) Unreimbursed employee business expenses? (such as uniforms or mileage)
<input type="checkbox"/>	5. (B) Medical expenses? (including health insurance premiums)
<input type="checkbox"/>	6. (B) Home mortgage interest? (Form 1098)
<input type="checkbox"/>	7. (B) Real estate taxes for your home or personal property taxes for your vehicle? (Form 1098)
<input type="checkbox"/>	8. (B) Charitable contributions?
<input type="checkbox"/>	9. (B) Child or dependent care expenses such as daycare?
<input type="checkbox"/>	10. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
<input type="checkbox"/>	11. (A) Expenses related to self-employment income or any other income you received?
<input type="checkbox"/>	12. (B) Student loan interest? (Form 1098-E)
Unsure	Part V – Life Events – Last Year, Did You (or Your Spouse)
<input type="checkbox"/>	1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
<input type="checkbox"/>	2. (A) Have debt from a mortgage or credit card cancelled/forgiven by a commercial lender? (Forms 1099-C, 1099-A)
<input type="checkbox"/>	3. (A) Buy, sell or have a foreclosure of your home? (Form 1099-A)
<input type="checkbox"/>	4. (B) Have Earned Income Credit (EIC) or other credits disallowed in a prior year? If yes, for which tax year? _____
<input type="checkbox"/>	5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
<input type="checkbox"/>	6. (B) Live in an area that was affected by a natural disaster? If yes, where? _____
<input type="checkbox"/>	7. (A) Receive the First Time Homebuyers Credit in 2008?
<input type="checkbox"/>	8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? _____
<input type="checkbox"/>	9. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?

See Tab D Form W-2 Instructions

If yes, verify tips were reported to employer. If not, complete Form 4137 (Advanced).

See Tab D for information on how to enter taxable scholarships.

Verify the return is within the scope of VITA/TCE Programs.

If yes, determine if taxable.

See Tab E for definition of alimony.

See Tab J and compare credits and adjustments.

Advise taxpayer of records requirements (Sch A) see Pub 17.

If yes, ask taxpayer for child care provider's TIN.

Check for tax benefits for declared disaster areas.



Refer taxpayers who have questions or need coverage to this web site/phone number.

Appropriate box for each question in each section

Unsure	Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)
<input type="checkbox"/>	1. (B) Have health care coverage?
<input type="checkbox"/>	2. (B) Receive one or more of these forms? (Check the box) <input type="checkbox"/> Form 1095-B <input type="checkbox"/> Form 1095-C
<input type="checkbox"/>	3. (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]
<input type="checkbox"/>	3a. (A) If yes, were advance credit payments made to help you pay your health care premiums?
<input type="checkbox"/>	3b. (A) If yes, Is everyone listed on your Form 1095-A being claimed on this tax return?
<input type="checkbox"/>	4. (B) Have an exemption granted by the Marketplace?

You must use the flow chart in Tab ACA for all taxpayers.

Taxpayer must provide a copy of Form 1095-A if they received insurance through the marketplace.

Visit <http://www.healthcare.gov/> or call 1-800-318-2596 for more information on health insurance options and assistance.

If advance payments of the premium tax credit were paid on your behalf to help pay your health insurance premiums, you should report life events, such as a change in income, marital status or family size changes, to your Marketplace. Reporting changes will help to make sure you are getting the proper amount of advance payments.

Complete for taxpayers and dependents after answering questions in the Certified Volunteer Preparer Section (Page 1, Part II).

Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating Minimum Essential Coverage (MEC) for every dependent listed in the order as in Part II)

	MEC Entire Year	No MEC	Part Year MEC (mark months with coverage)	Exemption (mark months exemptions applies)	Exemption All Year
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D	
			J F M A M J J A S O N D	J F M A M J J A S O N D	
			J F M A M J J A S O N D	J F M A M J J A S O N D	
			J F M A M J J A S O N D	J F M A M J J A S O N D	

Receiving advanced payments creates an automatic filing requirement. See Pub 17.



Summary of Intake/Interview

- Verify the identity (photo ID) and address of the taxpayer(s) and request verification of SSN or ITIN for everyone listed on the tax return.
- Explain the tax preparation process and encourage taxpayers to ask questions throughout the interview.
- Complete Form 13614-C, Intake/Interview & Quality Review Sheet.
 - Verify all items in the taxpayer section have been answered
 - Note changes and clarifications provided by the taxpayer on the form
- Interview the taxpayer using probing questions to confirm the information provided on Form 13614-C is complete and accurate.
- Review all supporting documentation provided by the taxpayer (Forms W-2, 1099, payment receipts, etc.).
- If the taxpayer has income or expenses listed on the return that do not require a source document and none were provided, the intake sheet should be notated to show a verbal response was provided.



Advance Scenario 1

Advanced Scenario 1: Darcy and Chris Tabor

Interview Notes

- Darcy is 45 years old, single, and a U.S. citizen with a valid Social Security number. She had \$45,000 in wages.
- During the interview with Darcy, you determine the following facts:
 - Darcy's son Chris, age 21, is unmarried and was a full-time student working on a degree in accounting during 2017.
 - Chris' income was \$8,500 in wages, which he used to pay his tuition. He did not provide more than half his own support.
 - Chris lived on campus during the school year, but came home on breaks and for the summer.
 - Chris is in his third year of college.
 - Chris has never had a felony drug conviction.
 - Chris is a U.S. citizen with a valid Social Security number.

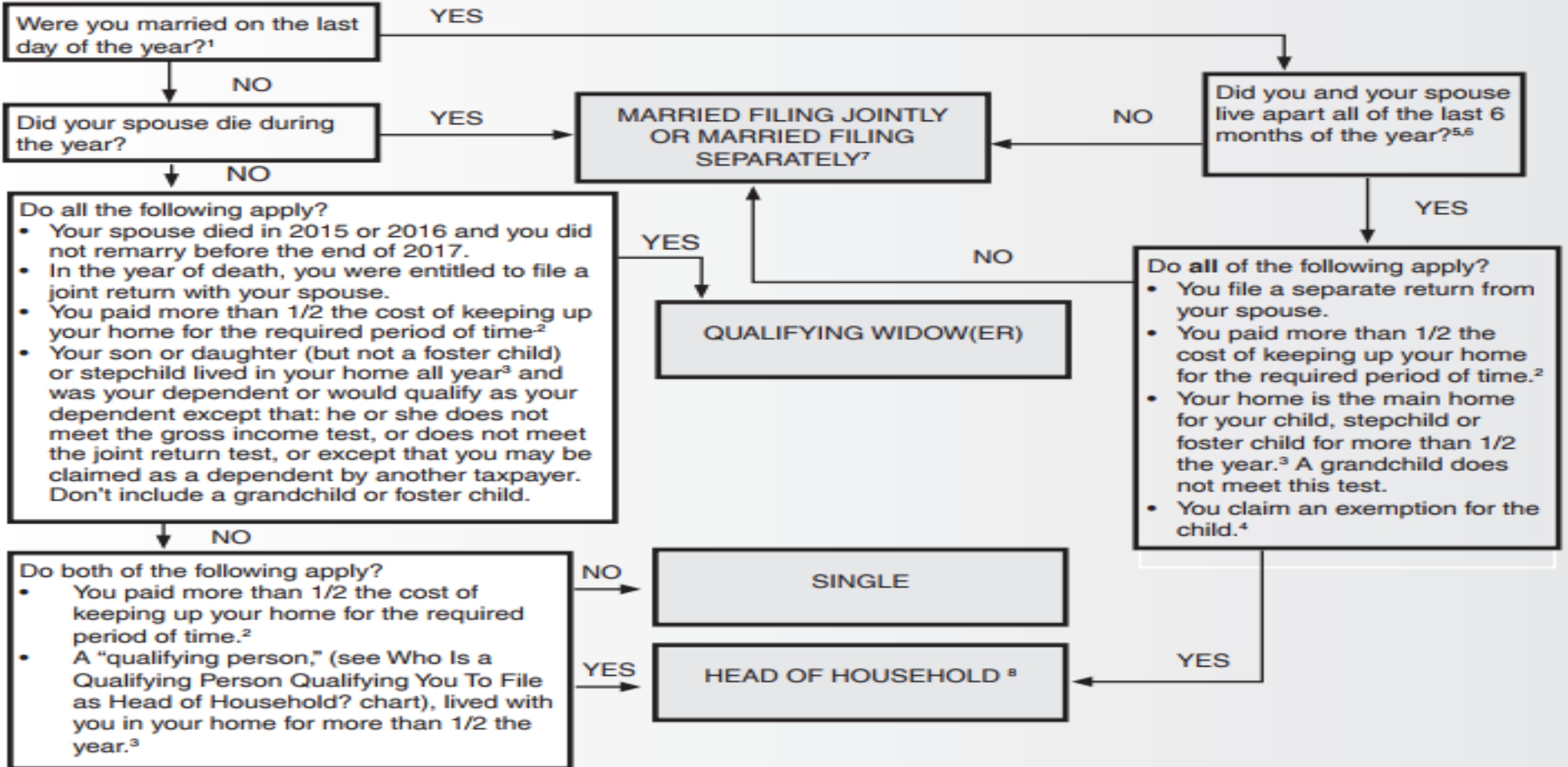


Advance Scenario 1 Resources (Filing Status)

Pub 4012 Page B-8

See TaxSlayer entries later in this tab.

Start Here





Advance Scenario 1 Resources (Dependency)

Pub 4012 Page C-3

Tests To Be a Qualifying Child

1. The child must be your son, daughter, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them.
2. The child must be: (a) under age 19 at the end of the year and younger than you (or your spouse, if filing jointly), (b) under age 24 at the end of the year, a full-time student, and younger than you (or your spouse, if filing jointly), or (c) any age if permanently and totally disabled.
3. The child must have lived with you for more than half of the year.²
4. The child must not have provided more than half of his or her own support for the year.⁵
5. The child isn't filing a joint return for the year (unless that joint return is filed only to claim a refund of income tax withheld or estimated tax paid).
6. If the child meets the rules to be a qualifying child of more than one person, you must be the person entitled to claim the child as a qualifying child. See the "Qualifying Child of More Than One Person" chart.

Tests To Be a Qualifying Relative

1. The person can't be your qualifying child or the qualifying child of any other taxpayer. A child isn't the qualifying child of any other taxpayer if the child's parent (or any other person for whom the child is defined as a qualifying child) isn't required to file an income tax return or files an income tax return only to get a refund of income tax withheld.
2. The person either (a) must be related to you in one of the ways listed under *Relatives who don't have to live with you* (see Table 2, step 2), or (b) must live with you all year as a member of your household² (and your relationship must not violate local law).
3. The person's gross income for the year must be less than \$4,050.³ Gross income means all income the person received in the form of money, goods, property and services, that isn't exempt from tax. Don't include social security benefits unless the person is married filing a separate return and lived with their spouse at any time during the tax year or if 1/2 the social security benefits plus their other gross income and tax exempt interest is more than \$25,000 (\$32,000 if MFJ).
4. You must provide more than half of the person's total support for the year.⁵



Advance Scenario 1 Resources (Exemptions)

Pub 4012 Page C-1

Exemptions

- Exemptions reduce the taxpayer's taxable income
- Exemption Amount: \$4,050
- Two types:
 1. Personal exemptions—one exemption for the taxpayer and, if married, one for his or her spouse; unless either can be claimed as a dependent by another person.
 2. Exemptions for dependents—one exemption for each qualifying child or qualifying relative.
- Apply the rules for exemptions for dependents using the worksheets in the Form 1040 instructions and the interview tips in this publication.
- A person who **may** be claimed as a dependent on another taxpayer's return may not claim a personal exemption, even if the other taxpayer doesn't claim a dependency exemption for the person. In this case, no one obtains an exemption for the person.
- Any person who **may** be claimed as a dependent by another taxpayer may not claim another person as a dependent.



Advance Scenario 1 Resources (Earned Income Credit) Pub 4012 Page I-2

Part A Rules for Everyone	Part B Rules If You Have a Qualifying Child	Part C Rules If You Don't Have a Qualifying Child
Taxpayers & qualifying children must all have SSN that is valid for employment by the due date of the return (including extensions).	Child must meet the relationship, age, residency test and joint return tests but not the support test. The child doesn't have to be your dependent.. If child is married, see Note below.	Must be at least age 25 but under age 65 as of December 31.*
Filing status can't be married filing separately.	Qualifying child can't be used by more than one person to claim the EIC.	Can't be the dependent of another person.
Must be a U.S. citizen or resident alien all year.	The taxpayer can't be a qualifying child of another person.	Must have lived in the United States more than half the year.
Can't file Form 2555 or Form 2555-EZ (relating to foreign earned income).		Can't be a qualifying child of another person.
Investment income must be \$3,450 or less.		
Can't be a qualifying child of another person.		

Note: To meet the joint return test, the child cannot file a joint return for the year unless it's to only claim a refund of income tax withheld or estimated tax paid.

Part D

Earned Income and AGI Limitations

You must have earned income to qualify for this credit.

Your earned income and AGI must be less than:

- **\$48,340** (53,930 for married filing jointly) if you have three or more qualifying children,
- **\$45,007** (\$50,597 for married filing jointly) if you have two qualifying children,
- **\$39,617** (\$45,207 for married filing jointly) if you have one qualifying child, or
- **\$15,010** (\$20,600 for married filing jointly) if you don't have a qualifying child.



Advance Scenario 1 Resources (Education Credit)

Pub 4012 Page J-4

	American Opportunity Credit	Lifetime Learning Credit
Maximum credit	Up to \$2,500 credit per eligible student	Up to \$2,000 credit per return
Limit on modified adjusted gross income (MAGI)	\$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er) MFS is not eligible.	\$132,000 if married filing jointly; \$66,000 if single, head of household, or qualifying widow(er) MFS is not eligible.
Refundable or nonrefundable	40% of credit may be refundable ¹ ; the rest is nonrefundable	Nonrefundable—credit limited to the amount of tax you must pay on your taxable income
Number of years of postsecondary education	Available ONLY if the student had not completed the first 4 years of postsecondary education before 2017	Available for all years of postsecondary education and for courses to acquire or improve job skills
Number of tax years credit available	Available ONLY for 4 tax years per eligible student (including any year(s) Hope credit was claimed)	Available for an unlimited number of tax years
Type of program required	Student must be pursuing a program leading to a degree or other recognized education credential	Student does not need to be pursuing a program leading to a degree or other recognized education credential
Number of courses	Student must be enrolled at least half-time for at least one academic period beginning during 2017 (or the first 3 months of 2018 if the qualified expenses were paid in 2017)	Available for one or more courses
Felony drug conviction	As of the end of 2017, the student had not been convicted of a felony for possessing or distributing a controlled substance	Felony drug convictions do not make the student ineligible
Qualified expenses	Tuition, required enrollment fees, and course materials that the student needs for a course of study whether or not the materials are bought at the educational institution as a condition of enrollment or attendance	Tuition and required enrollment fees (including amounts required to be paid to the institution for course-related books, supplies, and equipment)
Payments for academic periods	Payments made in 2017 for academic periods beginning in 2017 or beginning in the first 3 months of 2018	
TIN needed by filing due date	Filers and students must have a TIN by the due date of their 2017 return (including extensions)	
Educational institution's EIN	You must provide the educational institution's employer identification number (EIN) on your Form 8863	



Advance Scenario 1 Test Questions

- Who can claim Chris' personal or dependency exemption?
- Darcy can claim the expenses Chris paid as qualifying expenses for the American opportunity credit if Darcy claims Chris as a dependent on her return.
- Chris can claim his own personal exemption if his mother decides not to claim him as a dependent
- If Darcy claims Chris as a dependent on her return, Darcy cannot claim the American opportunity credit because Chris paid his own tuition.



Advance Scenario 2

Advanced Scenario 2: Mike Hastings

Interview Notes

- Mike is 50 and made \$36,000 in wages in 2017. He is single and pays all the cost of keeping up his home.
- Mike's daughter, Brittany, lived with Mike all year.
- Brittany's son, Hayden, was born in November 2017. Hayden lived in Mike's home since birth.
- Brittany is 25, single, and had \$1,500 in wages in 2017. She is not disabled.
- Mike provides more than half of the support for both Brittany and Hayden.
- Mike, Brittany, and Hayden are all U.S. citizens with valid Social Security numbers.

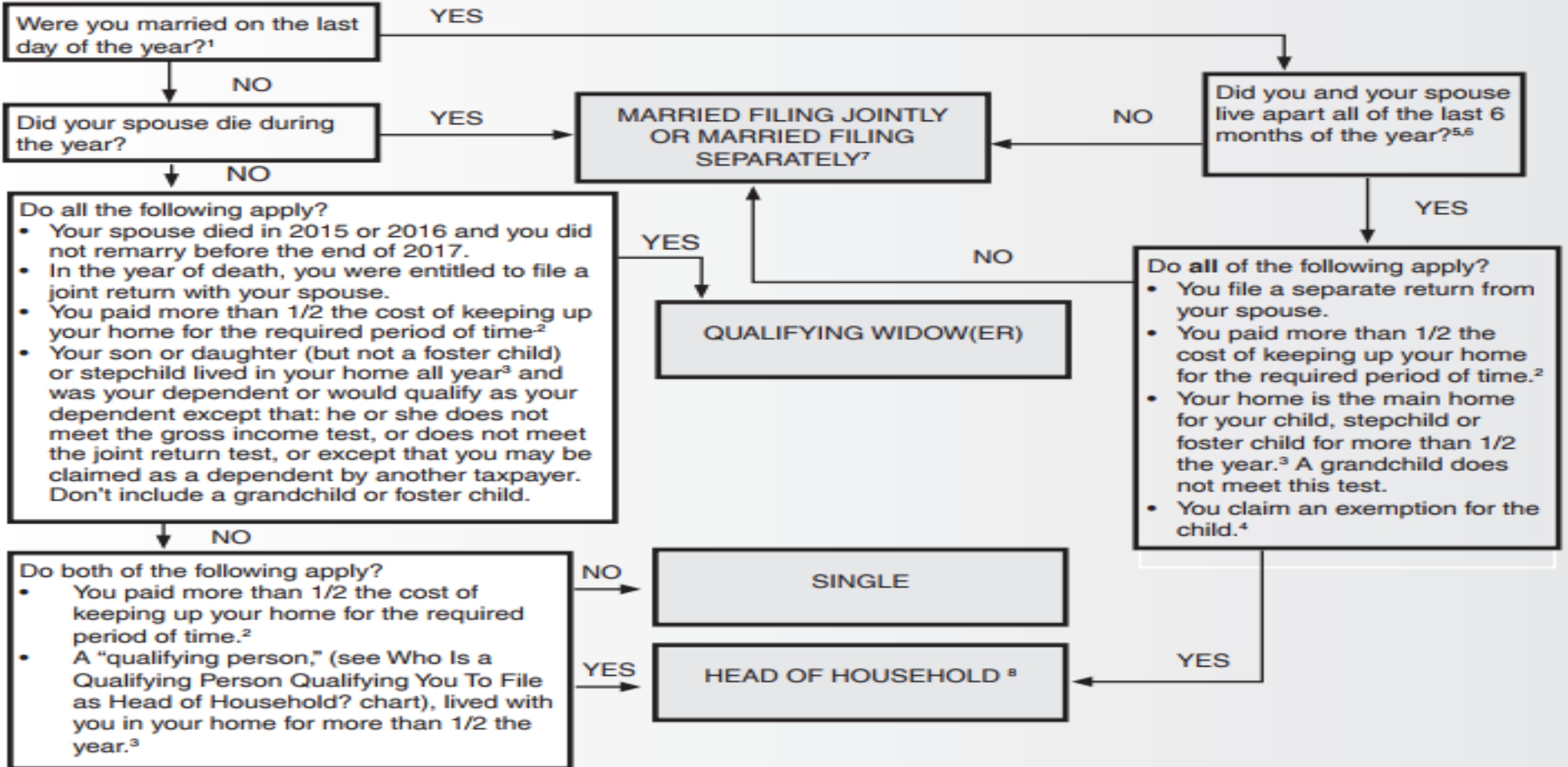


Advance Scenario 2 Resources (Filing Status)

Pub 4012 Page B-8

See TaxSlayer entries later in this tab.

Start Here





Advance Scenario 2 Resources (Dependency)

Pub 4012 Page C-3

Tests To Be a Qualifying Child

1. The child must be your son, daughter, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them.
2. The child must be: (a) under age 19 at the end of the year and younger than you (or your spouse, if filing jointly), (b) under age 24 at the end of the year, a full-time student, and younger than you (or your spouse, if filing jointly), or (c) any age if permanently and totally disabled.
3. The child must have lived with you for more than half of the year.²
4. The child must not have provided more than half of his or her own support for the year.⁵
5. The child isn't filing a joint return for the year (unless that joint return is filed only to claim a refund of income tax withheld or estimated tax paid).
6. If the child meets the rules to be a qualifying child of more than one person, you must be the person entitled to claim the child as a qualifying child. See the "Qualifying Child of More Than One Person" chart.

Tests To Be a Qualifying Relative

1. The person can't be your qualifying child or the qualifying child of any other taxpayer. A child isn't the qualifying child of any other taxpayer if the child's parent (or any other person for whom the child is defined as a qualifying child) isn't required to file an income tax return or files an income tax return only to get a refund of income tax withheld.
2. The person either (a) must be related to you in one of the ways listed under *Relatives who don't have to live with you* (see Table 2, step 2), or (b) must live with you all year as a member of your household² (and your relationship must not violate local law).
3. The person's gross income for the year must be less than \$4,050.³ Gross income means all income the person received in the form of money, goods, property and services, that isn't exempt from tax. Don't include social security benefits unless the person is married filing a separate return and lived with their spouse at any time during the tax year or if 1/2 the social security benefits plus their other gross income and tax exempt interest is more than \$25,000 (\$32,000 if MFJ).
4. You must provide more than half of the person's total support for the year.⁵



Advance Scenario 2 Resources (Exemptions)

Pub 4012 Page C-1

Exemptions

- Exemptions reduce the taxpayer's taxable income
- Exemption Amount: \$4,050
- Two types:
 1. Personal exemptions—one exemption for the taxpayer and, if married, one for his or her spouse; unless either can be claimed as a dependent by another person.
 2. Exemptions for dependents—one exemption for each qualifying child or qualifying relative.
- Apply the rules for exemptions for dependents using the worksheets in the Form 1040 instructions and the interview tips in this publication.
- A person who **may** be claimed as a dependent on another taxpayer's return may not claim a personal exemption, even if the other taxpayer doesn't claim a dependency exemption for the person. In this case, no one obtains an exemption for the person.
- Any person who **may** be claimed as a dependent by another taxpayer may not claim another person as a dependent.



Advance Scenario 2 Resources (Earned Income Credit) Pub 4012 Page I-2

Part A Rules for Everyone	Part B Rules If You Have a Qualifying Child	Part C Rules If You Don't Have a Qualifying Child
Taxpayers & qualifying children must all have SSN that is valid for employment by the due date of the return (including extensions).	Child must meet the relationship, age, residency test and joint return tests but not the support test. The child doesn't have to be your dependent.. If child is married, see Note below.	Must be at least age 25 but under age 65 as of December 31.*
Filing status can't be married filing separately.	Qualifying child can't be used by more than one person to claim the EIC.	Can't be the dependent of another person.
Must be a U.S. citizen or resident alien all year.	The taxpayer can't be a qualifying child of another person.	Must have lived in the United States more than half the year.
Can't file Form 2555 or Form 2555-EZ (relating to foreign earned income).		Can't be a qualifying child of another person.
Investment income must be \$3,450 or less.		
Can't be a qualifying child of another person.		

Note: To meet the joint return test, the child cannot file a joint return for the year unless it's to only claim a refund of income tax withheld or estimated tax paid.

Part D

Earned Income and AGI Limitations

You must have earned income to qualify for this credit.

Your earned income and AGI must be less than:

- **\$48,340** (**\$53,930** for married filing jointly) if you have three or more qualifying children,
- **\$45,007** (**\$50,597** for married filing jointly) if you have two qualifying children,
- **\$39,617** (**\$45,207** for married filing jointly) if you have one qualifying child, or
- **\$15,010** (**\$20,600** for married filing jointly) if you don't have a qualifying child.



Advance Scenario 2 Test Questions

- Who can claim Hayden as a dependent?
- Who can Mike claim as a qualifying child(ren) for the earned income credit?
- Mike's most advantageous filing status is Single.
- Can Brittany claim Hayden as a dependent?
- How many qualifying children does Mike have for the earned income credit?
- Mike's most advantageous filing status is Head of Household.



Advance Scenario 3

Advanced Scenario 3: Henry and Claudia Oberlin

Interview Notes

- Henry and Claudia are married and want to file a joint return.
- They have one child, Alyssa, who is 5 years old and lived with them all year.
- Henry, Claudia, and Alyssa lived in the U.S. all year and all have Individual Taxpayer Identification Numbers (ITINs).
- Henry earned \$37,000 in wages. Claudia had \$5,000 in wage income. They had no other income.
- Henry and Claudia provided all the support for Alyssa.

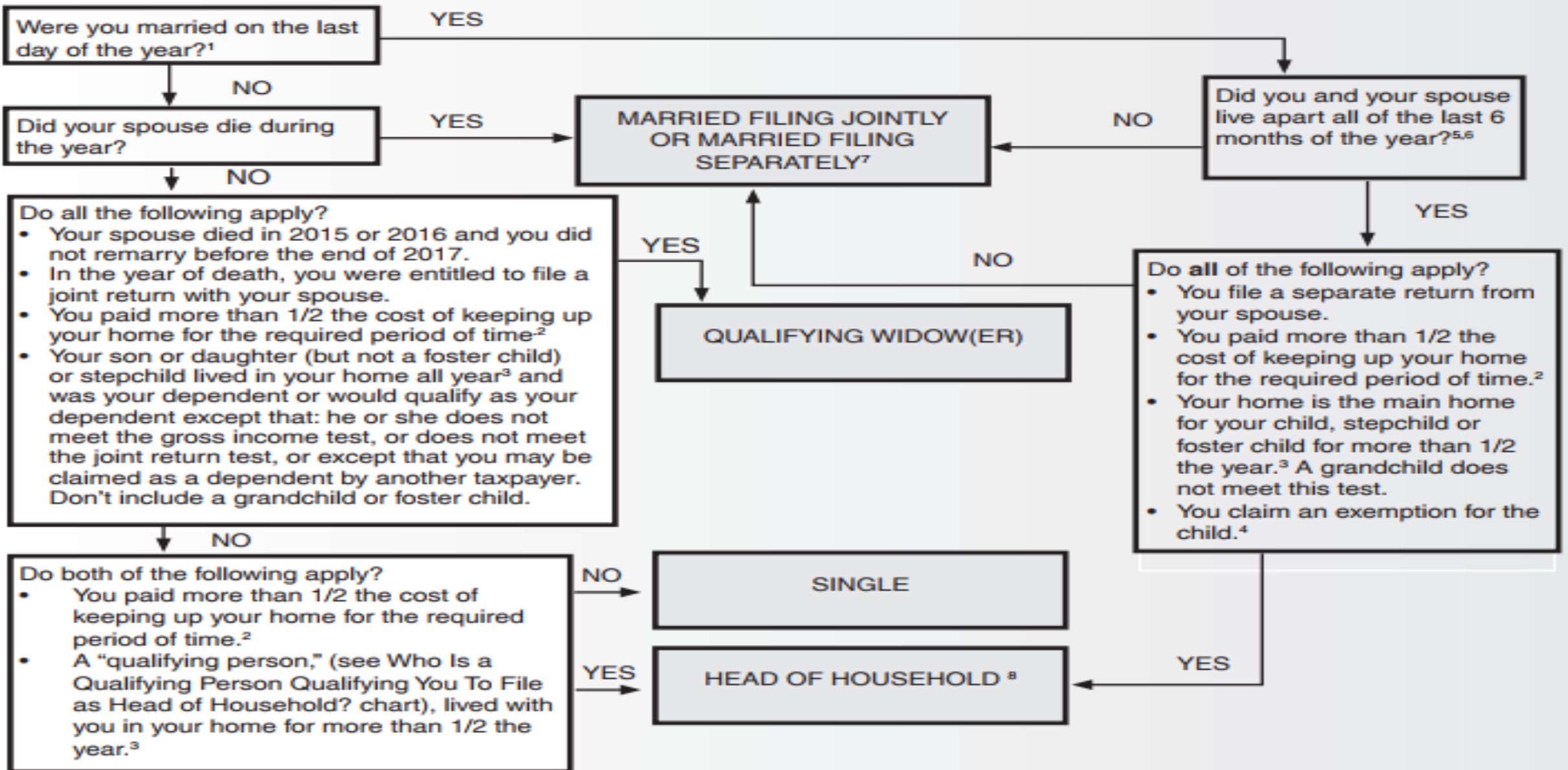


Advance Scenario 3 Resources (Filing Status)

Pub 4012 Page B-8

See TaxSlayer entries later in this tab.

Start Here





Advance Scenario 3 Resources (Dependency)

Pub 4012 Page C-3

Tests To Be a Qualifying Child

1. The child must be your son, daughter, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them.
2. The child must be: (a) under age 19 at the end of the year and younger than you (or your spouse, if filing jointly), (b) under age 24 at the end of the year, a full-time student, and younger than you (or your spouse, if filing jointly), or (c) any age if permanently and totally disabled.
3. The child must have lived with you for more than half of the year.²
4. The child must not have provided more than half of his or her own support for the year.⁵
5. The child isn't filing a joint return for the year (unless that joint return is filed only to claim a refund of income tax withheld or estimated tax paid).
6. If the child meets the rules to be a qualifying child of more than one person, you must be the person entitled to claim the child as a qualifying child. See the "Qualifying Child of More Than One Person" chart.

Tests To Be a Qualifying Relative

1. The person can't be your qualifying child or the qualifying child of any other taxpayer. A child isn't the qualifying child of any other taxpayer if the child's parent (or any other person for whom the child is defined as a qualifying child) isn't required to file an income tax return or files an income tax return only to get a refund of income tax withheld.
2. The person either (a) must be related to you in one of the ways listed under *Relatives who don't have to live with you* (see Table 2, step 2), or (b) must live with you all year as a member of your household² (and your relationship must not violate local law).
3. The person's gross income for the year must be less than \$4,050.³ Gross income means all income the person received in the form of money, goods, property and services, that isn't exempt from tax. Don't include social security benefits unless the person is married filing a separate return and lived with their spouse at any time during the tax year or if 1/2 the social security benefits plus their other gross income and tax exempt interest is more than \$25,000 (\$32,000 if MFJ).
4. You must provide more than half of the person's total support for the year.⁵



Advance Scenario 3 Resources (Exemptions)

Pub 4012 Page C-1

Exemptions

- Exemptions reduce the taxpayer's taxable income
- Exemption Amount: \$4,050
- Two types:
 1. Personal exemptions—one exemption for the taxpayer and, if married, one for his or her spouse; unless either can be claimed as a dependent by another person.
 2. Exemptions for dependents—one exemption for each qualifying child or qualifying relative.
- Apply the rules for exemptions for dependents using the worksheets in the Form 1040 instructions and the interview tips in this publication.
- A person who **may** be claimed as a dependent on another taxpayer's return may not claim a personal exemption, even if the other taxpayer doesn't claim a dependency exemption for the person. In this case, no one obtains an exemption for the person.
- Any person who **may** be claimed as a dependent by another taxpayer may not claim another person as a dependent.



Advance Scenario 3 Resources (Earned Income Credit) Pub 4012 Page I-2

<p style="text-align: center;">Part A Rules for Everyone</p>	<p style="text-align: center;">Part B Rules If You Have a Qualifying Child</p>	<p style="text-align: center;">Part C Rules If You Don't Have a Qualifying Child</p>
<p>Taxpayers & qualifying children must all have SSN that is valid for employment by the due date of the return (including extensions).</p>	<p>Child must meet the relationship, age, residency test and joint return tests but not the support test. The child doesn't have to be your dependent.. If child is married, see Note below.</p>	<p>Must be at least age 25 but under age 65 as of December 31.*</p>
<p>Filing status can't be married filing separately.</p>	<p>Qualifying child can't be used by more than one person to claim the EIC.</p>	<p>Can't be the dependent of another person.</p>
<p>Must be a U.S. citizen or resident alien all year.</p>	<p>The taxpayer can't be a qualifying child of another person.</p>	<p>Must have lived in the United States more than half the year.</p>
<p>Can't file Form 2555 or Form 2555-EZ (relating to foreign earned income).</p>		<p>Can't be a qualifying child of another person.</p>
<p>Investment income must be \$3,450 or less.</p>		
<p>Can't be a qualifying child of another person.</p>		

Note: To meet the joint return test, the child cannot file a joint return for the year unless it's to only claim a refund of income tax withheld or estimated tax paid.


Part D

Earned Income and AGI Limitations

You must have earned income to qualify for this credit.

Your earned income and AGI must be less than:

- \$48,340 (53,930 for married filing jointly) if you have three or more qualifying children,
- \$45,007 (\$50,597 for married filing jointly) if you have two qualifying children,
- \$39,617 (\$45,207 for married filing jointly) if you have one qualifying child, or
- \$15,010 (\$20,600 for married filing jointly) if you don't have a qualifying child.



Advance Scenario 3 Resources (Child & Dependent Care Credit) Pub 4012 Page G-5

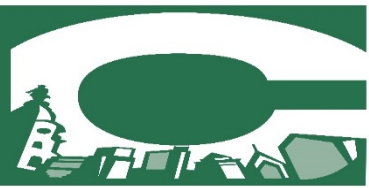
Who is a qualifying person?

- A qualifying child who was under the age of 13 when the expenses were incurred and for whom a dependency exemption can be claimed, see caution 1 below.
- Any person who was incapable of self-care whom the taxpayer can claim as a dependent or could've claimed as a dependent except that the person had gross income of more than \$4,050 or filed a joint return or that the taxpayer or spouse, if married filing jointly, could be claimed as a dependent on someone else's 2016 return.
- A spouse who was physically or mentally incapable of self-care.
- The qualifying person must live with the taxpayer more than 1/2 the year.
- Incapable of self-care - Can't dress, clean, or feed themselves because of physical or mental problems. Also persons who must have constant attention to prevent them from injuring themselves or others.

See Publication 17, ***Child and Dependent Care Credit*** for special rules regarding divorced or separated parents or parents who live apart.

Qualified work-related expenses

- Expenses must be paid for the care of the qualifying person to allow the taxpayer and spouse, if married, to work or look for work.
- The care includes the costs of services for the qualifying person's well-being and protection.
- Expenses to attend kindergarten or a higher grade aren't an expense for care.
- Expenses for summer day-camp are qualifying, but those for overnight camp aren't.



Child Tax Credit

This is a credit intended to reduce the tax. This part of the credit isn't refundable. The credit is up to \$1,000 per qualifying child.

Qualifying child:

1. Under age 17 at the end of the tax year.
2. A U.S. citizen or U.S. national* or resident alien of the United States. See the ITIN Returns tab.
3. Claimed as your dependent.**
4. Your:
 - a. son or daughter, adopted child, stepchild, eligible foster child, or a descendant of any of them
 - b. brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them (for example, your niece or nephew)
5. Didn't provide over half of his or her own support.
6. Lived with the taxpayer for more than half of the tax year. (See **Interview Tips for Child Tax Credit** for **Exception to Time Lived with You** section if the child didn't live with the taxpayer for more than half the year.)

* National is an individual who, although not a U.S. citizen, owes his or her allegiance to the United States. U.S. nationals include American Samoans and Northern Mariana Islanders who chose to become U.S. nationals instead of U.S. citizens.

**Refer to the tables on page C-3 for the rules governing who may be claimed as a dependent.



Advance Scenario 3 Test Questions

- Henry and Claudia are eligible to claim the earned income credit
- Henry and Claudia can claim Alyssa as a dependent, but not for the child tax credit.
- Are Henry and Claudia eligible to claim the earned income credit?
- Henry and Claudia can claim Alyssa for which tax benefit(s)?



Advance Scenario 4

Advanced Scenario 4: Martin Huron

Interview Notes

- Martin is married, but did not live with or have contact with his spouse in 2017. He does not know where she is. He indicated on the intake sheet that he is not legally separated.
- Martin does not have children or any other dependents
- Martin worked as a clerk and earned \$36,000 in wages. He had no other income.
- In 2017, he took a computer class at the local university to improve his job skills.
- Martin has a receipt showing he paid \$1,200 for tuition. He paid for all his educational expenses and did not receive any assistance or reimbursement.
- He paid \$400 for course books from an online bookseller.
- Martin paid \$150 for a parking permit. It was not a requirement of enrollment.
- Martin does not have enough deductions to itemize.
- He is a U.S. citizen with a valid Social Security number.

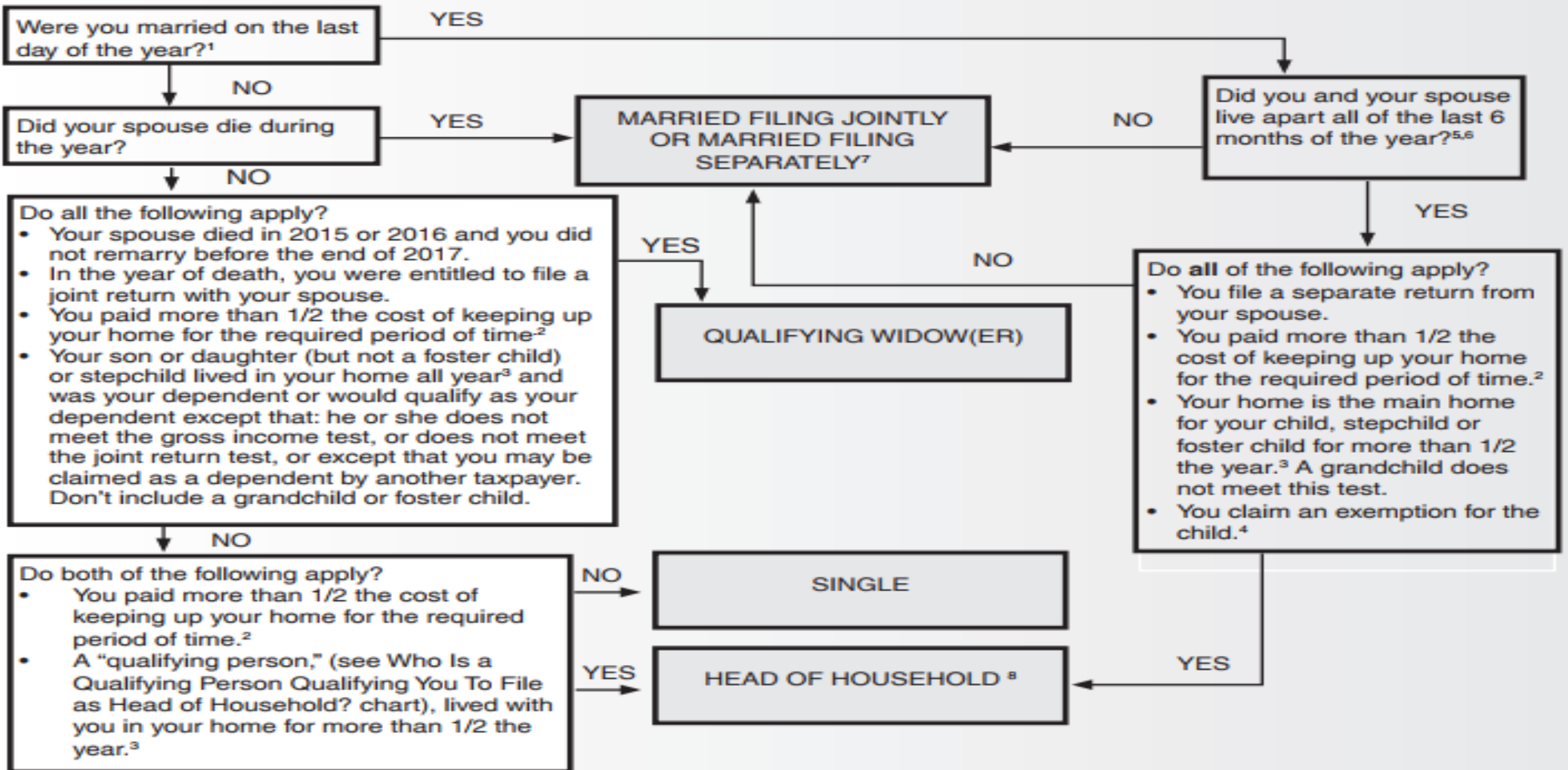


Advance Scenario 4 Resources (Filing Status)

Pub 4012 Page B-8

See TaxSlayer entries later in this tab.

Start Here





Advance Scenario 4 Resources (Education Credit)

Pub 4012 Page J-4

	American Opportunity Credit	Lifetime Learning Credit
Maximum credit	Up to \$2,500 credit per eligible student	Up to \$2,000 credit per return
Limit on modified adjusted gross income (MAGI)	\$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er) MFS is not eligible.	\$132,000 if married filing jointly; \$66,000 if single, head of household, or qualifying widow(er) MFS is not eligible.
Refundable or nonrefundable	40% of credit may be refundable ¹ ; the rest is nonrefundable	Nonrefundable—credit limited to the amount of tax you must pay on your taxable income
Number of years of postsecondary education	Available ONLY if the student had not completed the first 4 years of postsecondary education before 2017	Available for all years of postsecondary education and for courses to acquire or improve job skills
Number of tax years credit available	Available ONLY for 4 tax years per eligible student (including any year(s) Hope credit was claimed)	Available for an unlimited number of tax years
Type of program required	Student must be pursuing a program leading to a degree or other recognized education credential	Student does not need to be pursuing a program leading to a degree or other recognized education credential
Number of courses	Student must be enrolled at least half-time for at least one academic period beginning during 2017 (or the first 3 months of 2018 if the qualified expenses were paid in 2017)	Available for one or more courses
Felony drug conviction	As of the end of 2017, the student had not been convicted of a felony for possessing or distributing a controlled substance	Felony drug convictions do not make the student ineligible
Qualified expenses	Tuition, required enrollment fees, and course materials that the student needs for a course of study whether or not the materials are bought at the educational institution as a condition of enrollment or attendance	Tuition and required enrollment fees (including amounts required to be paid to the institution for course-related books, supplies, and equipment)
Payments for academic periods	Payments made in 2017 for academic periods beginning in 2017 or beginning in the first 3 months of 2018	
TIN needed by filing due date	Filers and students must have a TIN by the due date of their 2017 return (including extensions)	
Educational institution's EIN	You must provide the educational institution's employer identification number (EIN) on your Form 8863	



Advance Scenario 4 Test Questions

- What is Martin's most advantageous allowable filing status?
- Considering Martin's filing status and using Publication 4012, Tab J, Education Benefits, which education benefit is Martin eligible to claim?
- Martin's most advantageous allowable filing status is Single.
- Considering Martin's filing status and using Publication 4012, Tab J, Education Credits, Martin is eligible to claim the lifetime learning credit.



Advance Scenario 8

Advanced Scenario 8: Robert Wharton

Interview Notes

- Robert, age 33, lived and worked in the U.S. all year. He is single and has no dependents.
- Robert is not lawfully present in the U.S. and has an Individual Taxpayer Identification Number (ITIN).
- Robert had wages of \$19,000. He had no other income.
- He did not have any health insurance for all of 2017.
- If he gets a refund, Robert would like to split it between two separate bank accounts.



Types of Minimum Essential Coverage

Pub 4012 Page H-5

Employer-sponsored coverage:

Group health insurance coverage for employees under—

A governmental plan, such as the Federal Employees Health Benefit program,

A plan or coverage offered in the small or large group market within a state, or

A grandfathered health plan offered in a group market

A self-insured health plan for employees,

COBRA coverage,

Retiree coverage, or

Coverage under an expatriate health plan for employees and related individuals.

Individual health coverage:

Health insurance you purchase directly from an insurance company

Health insurance you purchase through the Marketplace

Health insurance provided through a student health plan

Catastrophic coverage, or

Coverage under an expatriate health plan for non-employees such as students and missionaries

Coverage under government-sponsored programs:

Medicare Part A coverage,

Medicare Advantage plans,

Most Medicaid coverage,*

Children's Health Insurance Program (CHIP) coverage,

Most types of TRICARE coverage,

Comprehensive health care programs offered by the Department of Veterans Affairs,

Health coverage provided to Peace Corps volunteers,

Department of Defense Nonappropriated Fund Health Benefits Program,

Refugee Medical Assistance, or

Coverage through a Basic Health Program (BHP) standard health plan.



Types of Minimum Essential Coverage Pub 4012 Page H-5

No proof of coverage is needed. Oral statement from the taxpayer is acceptable, unless normal due diligence leads you to believe the taxpayer's statement is incorrect.



Types of Coverage Exemptions

Pub 4012 Page H-14

Coverage Exemption	Granted by Marketplace	Claimed on tax return	Code for Exemption
Income below the filing threshold — Your gross income or your household income was less than your applicable minimum threshold for filing a tax return		✓	No Code See Part II
Coverage considered unaffordable — The required contribution is more than 8.16% of your household income		✓	A
Short coverage gap — You went without coverage for less than 3 consecutive months during the year. There is a look-back rule for gaps of coverage at the start of the year. See the Instructions for Form 8965 for details.		✓	B
Citizens living abroad and certain noncitizens — You were: <ul style="list-style-type: none"> • A U.S. citizen or resident who was physically present in a foreign country or countries for at least 330 full days during any period of 12 consecutive months; • A U.S. citizen who was a bona fide resident of a foreign country or countries for an uninterrupted period that includes an entire tax year; • A bona fide resident of a U.S. territory • A resident alien who was a citizen or national of a foreign country with which the U.S. has an income tax treaty with a nondiscrimination clause, and you were a bona fide resident of a foreign country for an uninterrupted period that includes an entire tax year; • Not lawfully present in the U.S. and not a U.S. citizen or U.S. national. For this purpose, an immigrant with Deferred Action for Childhood Arrivals (DACA) status is not considered lawfully present and therefore qualifies for this exemption. For more information about who is treated as lawfully present in the U.S. for purposes of this coverage exemption, visit www.HealthCare.gov; or • A nonresident alien, including (1) a dual-status alien in the first year of U.S. residency and (2) a nonresident alien or dual-status nonresident alien who elects to file a joint return with a U.S. spouse. This exemption doesn't apply if you are a nonresident alien for 2017, but met certain presence requirements and elected to be treated as a resident alien. For more information see Pub. 519. 		✓	C



Balance Due & Refunds Page K-14 thru K-17

- **Balance Due Returns**

- General Info
 - Payment due by filing due date
 - Penalties and Interest
 - File on time!
- Payment Methods
 - Electronic Funds Withdrawal
 - IRS Direct Pay
 - Check or Money Order
 - Credit Card Payments
 - NO CASH!
- EFTPS
- Pay Near Me
 - Cash at a 7-11

- **Refunds**

- Checks
- Direct Deposit
 - 8888—Split Accounts
 - Savings Bonds

- **Can't Pay?**

- Installment Agreement
- Offer in Compromise

- **How to Avoid Balance Due?**

- Adjust Withholdings
 - Revised W-4 with employer
 - Estimated Taxes



Advance Scenario 8 Test Questions

- What form must be used to split Robert's refund?
- Which health coverage exemption does Robert qualify for?
- Refer to Publication 4012, Tab H. Which of the following qualify as minimum essential coverage?
- Robert must use Form 8888 to split his refund between his two bank accounts.
- Robert does not qualify for a coverage exemption, and will need to make a shared responsibility payment (SRP) when filing his tax return.
- Refer to Publication 4012, Tab H. Which of the following coverages do not qualify as minimum essential coverage?



Next Steps

Sign into TaxSlayer's Practice Lab

- <https://vita.taxslayerpro.com/IRSTraining>
- **Password—TRAINPROWEB**
- Start in Pub-6744, Page 71
- Refer to page B-1 of 4012



1040 Review

Pub 4012 B-1

Form	1040	Department of the Treasury—Internal Revenue Service (99)	2017	OMB No. 1545-0074	IRS Use Only—Do not write or staple in this space.																									
For the year Jan. 1–Dec. 31, 2017, or other tax year beginning		, 2017, ending		, 20																										
Your first name and initial		Last name		Your social security number																										
If a joint return, spouse's first name and initial		Last name		Spouse's social security number																										
Home address (number and street). If you have a P.O. box, see instructions.				Apt. no.																										
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).				▲ Make sure the SSN(s) above and on line 6c are correct.																										
Foreign country name		Foreign province/state/county		Foreign postal code																										
Filing Status		1 <input type="checkbox"/> Single 2 <input type="checkbox"/> Married filing jointly (even if only one had income) 3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above and full name here. ▶ 4 <input type="checkbox"/> Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶ 5 <input type="checkbox"/> Qualifying widow(er) (see instructions)																												
Exemptions		6a <input type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a b <input type="checkbox"/> Spouse c Dependents: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 20%;">(1) First name</th> <th style="width: 20%;">Last name</th> <th style="width: 20%;">(2) Dependent's social security number</th> <th style="width: 20%;">(3) Dependent's relationship to you</th> <th style="width: 20%;">(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td style="text-align: center;"><input type="checkbox"/></td></tr> </tbody> </table>				(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)					<input type="checkbox"/>					<input type="checkbox"/>					<input type="checkbox"/>					<input type="checkbox"/>
(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)																										
				<input type="checkbox"/>																										
				<input type="checkbox"/>																										
				<input type="checkbox"/>																										
				<input type="checkbox"/>																										
If more than four dependents, see instructions and check here ▶ <input type="checkbox"/>		Boxes checked on 6a and 6b <input type="checkbox"/> No. of children on 6c who: • lived with you <input type="checkbox"/> • did not live with you due to divorce or separation (see instructions) <input type="checkbox"/> Dependents on 6c not entered above <input type="checkbox"/> Add numbers on lines above ▶ <input type="checkbox"/>																												
d Total number of exemptions claimed																														

Tab B

Tab B

Tab C



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Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

7	Wages, salaries, tips, etc. Attach Form(s) W-2			7	
8a	Taxable interest. Attach Schedule B if required			8a	
b	Tax-exempt interest. Do not include on line 8a	8b			
9a	Ordinary dividends. Attach Schedule B if required			9a	
b	Qualified dividends	9b			
10	Taxable refunds, credits, or offsets of state and local income taxes			10	
11	Alimony received			11	
12	Business income or (loss). Attach Schedule C or C-EZ			12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ► <input type="checkbox"/>			13	
14	Other gains or (losses). Attach Form 4797			14	
15a	IRA distributions	15a		b Taxable amount	15b
16a	Pensions and annuities	16a		b Taxable amount	16b
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E			17	
18	Farm income or (loss). Attach Schedule F			18	
19	Unemployment compensation			19	
20a	Social security benefits	20a		b Taxable amount	20b
21	Other income. List type and amount _____			21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ►			22	

Tab D



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Adjusted Gross Income

23	Educator expenses	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889 .	25		
26	Moving expenses. Attach Form 3903	26		
27	Deductible part of self-employment tax. Attach Schedule SE .	27		
28	Self-employed SEP, SIMPLE, and qualified plans . . .	28		
29	Self-employed health insurance deduction	29		
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid b Recipient's SSN ► <input type="text"/>	31a		
32	IRA deduction	32		
33	Student loan interest deduction	33		
34	Reserved for future use	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 through 35	36		
37	Subtract line 36 from line 22. This is your adjusted gross income ►	37		

Tab E

Tab
EXT



1040 Adjustments Section

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Tax and Credits	38	Amount from line 37 (adjusted gross income)		38		
	39a	Check <input type="checkbox"/> You were born before January 2, 1953, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1953, <input type="checkbox"/> Blind. Total boxes checked ▶ 39a				
	39b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b <input type="checkbox"/>				
	40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)		40		Tab F
	41	Subtract line 40 from line 38		41		
	42	Exemptions. If line 38 is \$156,900 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions		42		
	43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-		43		
	44	Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>		44		
	45	Alternative minimum tax (see instructions). Attach Form 6251		45		Tab H
46	Excess advance premium tax credit repayment. Attach Form 8962		46	←		
47	Add lines 44, 45, and 46		47			
Standard Deduction for— • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, \$6,350 Married filing jointly or Qualifying widow(er), \$12,700 Head of household, \$9,350	48	Foreign tax credit. Attach Form 1116 if required	48		Tab G	
	49	Credit for child and dependent care expenses. Attach Form 2441	49			
	50	Education credits from Form 8863, line 19	50	←	Tab J	
	51	Retirement savings contributions credit. Attach Form 8880	51		Tab G	
	52	Child tax credit. Attach Schedule 8812, if required	52			
	53	Residential energy credit. Attach Form 5695	53			
	54	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54			
	55	Add lines 48 through 54. These are your total credits		55		
56	Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-		56			



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Tax and Credits		38	38	
	38 Amount from line 37 (adjusted gross income)			
	39a Check <input type="checkbox"/> You were born before January 2, 1953, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1953, <input type="checkbox"/> Blind. Total boxes checked ▶ 39a <input type="checkbox"/>			
	b If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b <input type="checkbox"/>			
Standard Deduction for— • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, \$6,350 Married filing jointly or Qualifying widow(er), \$12,700 Head of household, \$9,350	40 Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40		Tab F
	41 Subtract line 40 from line 38	41		
	42 Exemptions. If line 38 is \$156,900 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions	42		
	43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43		
	44 Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>	44		
	45 Alternative minimum tax (see instructions). Attach Form 6251	45		
	46 Excess advance premium tax credit repayment. Attach Form 8962	46	←	Tab H
	47 Add lines 44, 45, and 46	47		
	48 Foreign tax credit. Attach Form 1116 if required	48		Tab G
	49 Credit for child and dependent care expenses. Attach Form 2441	49		
	50 Education credits from Form 8863, line 19	50	←	Tab J
	51 Retirement savings contributions credit. Attach Form 8880	51		Tab G
	52 Child tax credit. Attach Schedule 8812, if required	52		
	53 Residential energy credit. Attach Form 5695	53		
	54 Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54		
	55 Add lines 48 through 54. These are your total credits	55		
56 Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-	56			



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Other Taxes	57	Self-employment tax. Attach Schedule SE	57			Tab H
	58	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58			
	59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59			
	60a	Household employment taxes from Schedule H	60a			
	b	First-time homebuyer credit repayment. Attach Form 5405 if required	60b			
	61	Health care: individual responsibility (see instructions) Full-year coverage <input type="checkbox"/>	61			
	62	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	62			
	63	Add lines 56 through 62. This is your total tax	63			
Payments	64	Federal income tax withheld from Forms W-2 and 1099	64			Tab I Tab G Tab J Tab H
	65	2017 estimated tax payments and amount applied from 2016 return	65			
	66a	Earned income credit (EIC)	66a			
	b	Nontaxable combat pay election 66b				
	67	Additional child tax credit. Attach Schedule 8812	67		←	
	68	American opportunity credit from Form 8863, line 8	68		←	
	69	Net premium tax credit. Attach Form 8962	69		←	
	70	Amount paid with request for extension to file	70			
	71	Excess social security and tier 1 RRTA tax withheld	71			
	72	Credit for federal tax on fuels. Attach Form 4136	72			
	73	Credits from Form: a <input type="checkbox"/> 2439 b <input checked="" type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	73			
	74	Add lines 64, 65, 66a, and 67 through 73. These are your total payments	74			
Refund	75	If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid	75			Tab K
	76a	Amount of line 75 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	76a			
	b	Routing number				
Direct deposit? See instructions.	d	Account number				
	77	Amount of line 75 you want applied to your 2018 estimated tax	77			
Amount You Owe	78	Amount you owe . Subtract line 74 from line 63. For details on how to pay, see instructions	78			
	79	Estimated tax penalty (see instructions)	79			



Missing Page 92 From 6744

US Schedule D

Worksheet for Capital Loss Carryovers or Sale of Your Home

2016

Name: Quincy and Marian Pike

SSN: [REDACTED]

Capital Loss Carryovers from This Year to Next Year

1	Amount from Form 1040, line 41, or Form 1040NR, line 38.....		34,372
2	Loss shown on Schedule D, line 21 as a positive amount		3,000
3	Combine lines 1 and 2. If -0- or less, enter -0-		37,372
4	Smaller of line 2 or line 3.....		3,000
5	Loss shown on Schedule D, line 7 as a positive amount		
6	Gain, if any, shown on Schedule D, line 15.....		
7	Add lines 4 and 6		3,000
8	Short-term capital loss carryover. Subtract line 7 from line 5. If -0- or less, enter -0-		
9	Loss shown on Schedule D, line 15 as a positive amount		3,450
10	Gain, if any, shown on Schedule D, line 7.....	0	
11	Subtract line 5 from line 4. If -0- or less, enter -0-	3,000	
12	Add lines 10 and 11		3,000
13	Long-term capital loss carryover. Subtract line 12 from line 9. If -0- or less, enter -0-		450



EMAIL

Once you certify, please email your
Volunteer Agreement to:

taxvolunteer@cwfp Philly.org



Volunteer:
By signing this form, I declare that I have completed Volunteer Standards of Conduct Training and have read, understand, and will comply with the volunteer standards of conduct.

Full name <i>(please print)</i> CARLA MILLER		Volunteer position(s) 01 - VITA Volunteer	<input type="checkbox"/> IRS Employee - VITA/TCE Volunteer
Home street address: city, state and ZIP code 327 SANTA BARBARA ST., PLACENTIA, California 92870			
Email address CARLAJ@IME@GMAIL.COM	Daytime telephone None	Sponsoring partner name/site name	
Number of years volunteered <i>(including this year)</i> 3	Volunteer signature CARLA MILLER	Date 01/22/2015	

Volunteer Certification Levels

	Standards of Conduct <i>(Required for ALL)</i>	Basic	Advanced	Military	International	COD <i>(if extended)</i>	HSA	Puerto Rico		Foreign Students
								1	2	
Add the letter "P" for all passing test scores	P									

Was the Intake/Interview & Quality Review PowerPoint Training completed? *(Required for site coordinators, quality reviewers, return preparers and instructors)*

Site Coordinator, Sponsoring Partner, Instructor or IRS: By signing this form, I declare that I have verified the required certification level(s) and proper identification for this volunteer prior to allowing the volunteer to work at the VITA/TCE site.

Approving Official's <i>(printed)</i> name and title <i>(site coordinator, sponsoring partner, instructor, etc.)</i>	Approving Official's signature and date
---	---

For Continuing Education (CE) Credits

(to be completed by the site coordinator, partner, or instructor in SPEC territory)

Instructions: The sponsoring partner or site coordinator will complete this section when an unpaid volunteer requests Continuing Education (CE) credits as an Enrolled Agent (EA), Other Tax Return Preparer (OTRP), or Certified Public Accountant (CPA) for volunteer work. The instructor or quality reviewer/return preparer. Once the volunteer has completed the minimum hours allowable for CE credits, the partner or site coordinator will complete this section, sign and date where indicated to validate the hours, and send the completed form to SPEC Territory Office/Relationship Manager. SPEC Territory Office/Relationship Manager will validate that all requirements were met (completed training and completed hours) prior to submission to SPEC HQ. The maximum allowable CE credits are indicated by HQ and forwarded to Return Preparer's Office (RPO). Note: The maximum number of CE credits and minimum volunteer hours apply to EA, OTRP, and CPA CE credit eligibility requirements are determined by individual state law.

Name as listed on their PTIN card *(review the card)*

Volunteer's Preparer's Tax Identification Number (PTIN) _____

Address *(VITA/TCE Site or teaching location)*

<input type="checkbox"/> Enrolled Agent (EA)	<input type="checkbox"/> Certified Public Accountants (CPA)
<input type="checkbox"/> Other Tax Return Preparers (OTRP)	
<input type="checkbox"/> Quality Reviewer (QR)	Total hours performing quality reviews _____
<input type="checkbox"/> Return Preparer <i>(check all that apply) (*combined QR & return preparation - maximum 14 CE credits)</i>	Total hours performing return preparation <i>(combined QR & return preparation - minimum 10 volunteer hours)</i> _____
<input type="checkbox"/> Instructor <i>(* maximum 8 CE credits)</i>	Total hours teaching tax law <i>(minimum 4 hours teaching)</i> _____
List tax law courses instructed	
Allowable CE Credits <i>(completed by the SPEC Territory Office)</i>	

* Maxi

Site C

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Appro

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Catalo

taxvolunteer@cwfp Philly.org





THANK YOU!

Once you certify, please email your
Volunteer Agreement to:

taxvolunteer@cwfp Philly.org